



City of Newark

City Hall
920 Broad Street
Newark, New Jersey 07102

Legislation Text

File #: 13-0817, Version: 1

Dept/ Agency: Economic & Housing Development

Action: () Ratifying (X) Authorizing () Amending

Type of Service: Private Sale/Redevelopment

Purpose: Private sale and redevelopment of the following City-owned properties: Block 2614, Lots 1, 2, 4, 5, 28, 30, 31, 32, 33, and 34, commonly known as 606 South10th Street, 9-11 Brenner Street, 15 Brenner Street, 521 Springfield Avenue, 523 Springfield Avenue, 527 Springfield Avenue, and 529 Springfield Avenue- forth-five (45) affordable housing units and a surface parking lot
Entity Name: HELP Springfield Avenue Urban Renewal, LP

Entity Address: 5 Hanover Square, 17th Floor, New York, New York 10004

Sale Amount: \$95,832.00

Cost Basis: () \$ PSF () Negotiated (X) N/A () Other:

Assessed Amount: \$

Appraised Amount: \$

Contract Period: The effective date till the issuance of a Certificate of Completion of the entire Project)

Contract Basis: () Bid () State Vendor () Prof. Ser. () EUS

() Fair & Open () No Reportable Contributions () RFP () RFQ

(X) Private Sale () Grant () Sub-recipient () n/a

List of Property:

(Address/Block/Lot/Ward)

606 South10th Street, 9-11 Brenner Street, 15 Brenner Street, 521 Springfield Avenue, 523 Springfield Avenue, 527 Springfield Avenue, and 529 Springfield Avenue/Block 2614/Lots 1, 2, 4, 5, 28, 30, 31, 32, 33, and 34/South Ward

Additional Information:

Resolutions 7Rm050405, 7RDo(AS)061505, and 7Rg110685

Ordinance 6PHS&FF062106

WHEREAS, the City, in connection with its efforts to redevelop the entire City, by Resolution 7Rm adopted on May 4, 2005, directing the Central Planning Board of the City of Newark (the "City") (the "Central Planning Board") to undertake an investigation to determine, if the City satisfied the statutory criteria as an "area in need of rehabilitation" in accordance with the provisions of N.J.S.A. 40A:12A-14 of the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the "LRHL" or "Act"); and

WHEREAS, the Central Planning Board conducted the requested investigation in accordance with the LRHL, including a Public Hearing on June 6, 2005, after which Hearing, the Central Planning Board recommended the designation of the entire City as an "area in need of rehabilitation" to the City Administration and Municipal Council; and

WHEREAS, on June 15, 2005, by Resolution 7Rd-o(AS) based upon the recommendation of the Central Planning Board, the City designated the entire City as an "area in need of

rehabilitation” (as defined by the LRHL) and the designation became effective on June 17, 2005 upon the transmission of the Resolution to the New Jersey Department of Community Affairs by the City Clerk; and

WHEREAS, subsequent to the effective date of Resolution 7Rd-o(AS) June 15, 2005, the City undertook a program for the clearance, redevelopment and rehabilitation of slum and blighted areas in the City in furtherance of the objectives of the LRHL, including, among other things, the adoption of Kent-Brenner-Springfield Redevelopment Plan (as amended, the “Redevelopment Plan”) governing the redevelopment of various City-owned parcels located in both the Central and South Wards of the City; and

WHEREAS, the City is the owner of those parcels of real property identified on the Tax Maps of the City of Newark as Block 2614, Lots 1, 2, 4, 5, 28, 30, 31, 32, 33, and 34, commonly known as 606 South 10th Street, 9-11 Brenner Street, 15 Brenner Street, 521 Springfield Avenue, 523 Springfield Avenue, 527 Springfield Avenue, and 529 Springfield Avenue (the “Property”), of which the Property is located within the boundaries of the area governed by the Redevelopment Plan; and

WHEREAS, the City has determined that (i) the Property is no longer needed for public use; and (ii) the redevelopment thereof in accordance with the applicable provisions of the Redevelopment Plan will contribute to the rehabilitation and reinvigoration of the City and to the social and economic improvement of the City in accordance with the legislative intent, goals and objectives of the LRHL; and

WHEREAS, pursuant to the LRHL, the City has determined to act as the “Redevelopment Entity” (as such term is defined at N.J.S.A. 40A:12A-3) for the rehabilitation of the Property in accordance with the Redevelopment Plan; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-8(f), the City is authorized to arrange or contract with redevelopers for the planning, replanning, construction or undertaking of any redevelopment project; and

WHEREAS, based on its review of the submissions and presentations made by representatives of HELP Springfield Avenue Urban Renewal, LP (the “Redeveloper”), the City determined that the Redeveloper has the professional experience and financial capabilities to carry out the rehabilitation of the Property in accordance with the approved Redevelopment Plan; and

WHEREAS, the Redeveloper has agreed to construct on the Property, forty-five (45) affordable housing units and a surface parking lot (the “Project”); and

WHEREAS, the City believes the Project to be in the best interests of the City.,

NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

1. The Mayor and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development,, are hereby authorized to enter into and execute a private sale and redevelopment agreement with HELP Springfield Avenue Urban Renewal, LP, 5 Hanover Square, 17th Floor, New York, New York 10004, (Agreement attached hereto). The Deputy Mayor/Director of the Department of Economic and Housing Development, is hereby authorized to

effectuate certain business terms and conditions related to the land sales contract and may enter into subordination agreements, access and right of entry agreements, and other relevant documents, subject to the approval as to form and legality by the City's Corporation Counsel. The contract shall be for the private sale and redevelopment of the following properties:

- Block 2614, Lots 1, 2, 4, 5, 28, 30, 31, 32, 33, and 34, commonly known as 606 South 10th Street, 9-11 Brenner Street, 15 Brenner Street, 521 Springfield Avenue, 523 Springfield Avenue, 527 Springfield Avenue and 529 Springfield Avenue

2. Said properties shall be sold to HELP Springfield Avenue Urban Renewal, LP, by private sale for the consideration of Ninety Five Thousand Eight Hundred Thirty-Two Dollars and 00/100 (\$95,832.00), for redevelopment in accordance with the Agreement.

3. The Deputy Mayor/Director of the Department of Economic and Housing Development is hereby authorized to execute a Bargain and Sale Deed to the Redeveloper for the Property as provided in the Agreement,, including a limited right of reverter and certain covenants required pursuant to N.J.S.A. 40A:12A-9. Said Deed conveying title to the Redevelopers shall be approved as to form and legality by the City's Corporation Counsel and attested to and acknowledged by the City Clerk.

4. The Director of Finance is hereby authorized to receive proceeds of sale and to deposit same as follows: ninety (90%) percent of the sales proceeds shall be deposited into the Community and Economic Development Dedicated Trust Fund established under Resolution 7Rg adopted on November 6, 1985; and ten (10%) percent of the sale proceeds shall be placed in the City's Affordable Housing Trust Fund established under Ordinance 6PhS&FF adopted on June 21, 2006, for the purpose of preserving or creating low or moderate income affordable housing.

5. A copy of the executed Agreement and Deeds shall be placed on file in the Office of the City Clerk by the Deputy Mayor/Director of the Department of Economic and Housing Development.

6. This resolution shall take effect immediately.

STATEMENT

This resolution authorizes the Mayor and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development, on behalf of the City of Newark, to enter into and execute a private sale and redevelopment agreement for the Bargain and Sale Deeds and redevelopment of the following City-owned properties:

- Block 2614, Lots 1, 2, 4, 5, 28, 30, 31, 32, 33, and 34, commonly known as 606 South 10th Street, 9-11 Brenner Street, 15 Brenner Street, 521 Springfield Avenue, 523 Springfield Avenue, 527 Springfield Avenue, and 529 Springfield Avenue

for construction of forty-five (45) affordable housing units and a surface parking lot with HELP Springfield Avenue Urban Renewal, LP, 5 Hanover Square, 17th Floor, New York, New York 10004, for the consideration of Ninety Five Thousand Eight Hundred Thirty-Two Dollars and 00/100

(\$95,832.00), from the effective date till the issuance of a Certificate of Completion of the entire Project.